

M25 CONSORTIUM OF ACADEMIC LIBRARIES

Companies House No. : 06866895

Charity No. : 1130877

**UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 APRIL 2009
(DATE OF INCORPORATION) TO 31ST JULY 2010**

M25 Consortium of Academic Libraries

Reference and Administrative Information

Trustees: Nick Bevan (Resigned 23 April 2010)
Caroline Lloyd
Mary Nixon
Sandy Leitch
John Tuck (Appointed 23 April 2010)

Secretary: Sandy Leitch

Registered office: LSE Library
10 Portugal Street
London
WC2A 2HD

Independent examiners: Kingston Smith LLP
Chartered Accountants and Registered Auditors
Devonshire House
60 Goswell Road
London
EC1M 7AD

Bankers: HSBC Plc
1 Woburn Place
Russell Square
London
WC1H 0LQ

Companies House No.: 06866895

Charities Commission No.: 1130877

Trustees Report on M25 Consortium of Academic Libraries' Unaudited Annual Accounts

Constitution

M25 Consortium of Academic Libraries is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association and Rules for the Conduct of Business.

The Consortium previously operated as a non-charitable body and was incorporated on 1 April 2009. However, assets were not transferred over to the company until the Consortium became registered as a charity on 1 August 2009. Therefore, for the purpose of these accounts, the 2010 year shows the first operational year of the company to the 31 July 2010 (with the first three months being dormant) and the comparatives show the prior year figures for the non-charitable body. Although legally, these two entities are separate, they are effectively the same organisation and have been included to assist users of the accounts for comparative purposes.

Membership

M25 Consortium is a membership consortium consisting of 59 member institutions (please see p 12 for details). Membership of the Consortium is open to Higher Education Institutions located in and around the areas covered by the London, East of England or South East England Regional development areas whose institutions are eligible for membership of the Society of College, National and University Libraries (SCONUL). Other academic and academic-related institutions in the same areas may be invited to join subject to the full Consortium approval.

Governance

The Steering Group and the Officers subgroup of the Steering Group, who are also Trustees of the Consortium, provide the governance of the M25 Consortium. Each member institution has the right to nominate an M25 representative, who is normally the Director or equivalent of their institution's Library Service. All representatives have full voting rights.

Organisational Structure

Steering Group

The Steering Group is the board of directors for the Consortium acting as a policy and strategy group and the managing body for the whole organisation. The Steering Group is responsible for the financial affairs of the Consortium and the conduct of business on behalf of the full body of member representatives.

Steering Group members are expected to chair or otherwise participate in the activities of one or more of the Consortium's working groups or projects, depending on their areas of interest or expertise.

The Steering Group is elected from among the representatives of M25 member institutions. The Steering Group currently has 12 out of a possible 14 members. The Steering Group meets to conduct business as often as is required and this normally equates to five meetings per year.

The period of office for Steering Group members is two years with a possible extension of two years subject to election. Appointment and a second term of office is by election at the AGM.

The officers of the Consortium comprise the Consortium Chair, Treasurer, Secretary and Chair of the cpd25 subgroup of the Consortium. The officers are normally nominated from the Steering Group and elected at the Annual General Meeting to hold office until the end of the equivalent Annual General Meeting at the end of the term of office. The term of office for the Chair and Secretary is two years, renewable by vote for a further term of two years. The Treasurer may hold office for up to four two-year terms renewed by vote. The Chair of cpd25 is by appointment by a panel approved by the Steering Group and confirmed at the next business meeting of the consortium. The cpd25 Chair will hold office for two years, renewable for a further term of two years by mutual consent of the Officers and the Steering Group.

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Trustees' Responsibilities

Trustees are appointed on the basis of holding the office of Chair, Treasurer, Secretary or Chair of cpd25. The trustees (who are also directors of the M25 Consortium of Academic Libraries for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are also responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Induction of Trustees

The M25 Consortium gained charitable status on the 1st August 2009 and since that time attention has been given to the induction of Steering Group members and trustees. Steering Group members all have prior knowledge of the M25 Consortium by virtue of their role in the profession. Trustees are appointed on the basis of holding the office of Chair, Treasurer, Secretary or chair of cpd25 and through regular officer/trustee meetings. New members receive information about their requirements and responsibilities as trustees and the Consortium's expectations of them as officers and members of the Steering Group.

M25 Support Team

Within its Support Team, the Consortium has 2.6 FTE staff on permanent contracts and 1.0 FTE staff on a temporary contract that ends in March 2011. The team is based at LSE and their employment contracts are with LSE. The salary costs are recharged to the Consortium, and the team's work is carried out under the direction of the Steering Group.

Objectives and Activities

Mission

The mission of the Consortium is to develop and improve access to library and information services across the region in support of learning and research, by facilitating co-operation amongst Consortium members and by collaborating with relevant regional and national organisations.

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Background

Founded in 1993, the Consortium has taken the lead in expanding access to libraries through the M25 Access and Borrowing Scheme, developed a suite of resource discovery services that enable searching across the catalogues of member institutions and, through cpd25, has offered an extensive programme of training activities for staff in Consortium libraries that, in 2007, received the CILIP seal of approval.

Strategic objectives

The current strategic objectives, of which there are four, were approved by members at the Consortium's annual general meeting in April 2010:

- Supporting staff in member libraries to enable them to develop and deliver effective library and information services;
- Collaborating between member institutions and developing shared services in support of learning and research;
- Working with partners and seeking to influence funders and policy makers to improve the experience of learners and researchers who use library and information services in the Consortium and beyond;
- Ensuring effective and efficient governance, financial management, use of technology and marketing and communication to underpin Consortium activities.

Achievements and Performance

Major achievements in 2009/10 have included:

- The Consortium's cpd25 programme of 75 events. These contained a number of new themes in 2009/10, for instance sessions on customer care looking at what can be learned from the retail experience; an event on roving enquiry and help services; a new leadership development course aimed at middle managers; and OPACs: the next generation involving a number of software providers;
- Two major events facilitating collaboration and communication among members: the Annual Conference, *Partnerships and priorities*: addressing the challenges of the digital age, held in April 2010 at the Cass Business School, City University and the annual Showcase Event at the New Academic Building at LSE in September 2009;
- A new virtual environment service launched in September 2009 to support Directors of Consortium institutions in delivering effective library and information services. Known as the Directors' Room, this online communication and collaboration tool was conceived and developed by members of the Consortium for Directors of M25 library services. Directors' Room users can find colleagues with particular skills and experience, discuss current issues and share their own knowledge in a confidential environment;
- The M25 Consortium continued to deliver its suite of integrated InforM25 digital discovery services, enabling its members to search across and gain access to member libraries. The four components of InforM25 (Find a library, Visit a library, Search catalogues and Union list of serials) registered more than 88,000 visits during 2009/10. A review of the InforM25 services has also begun and will be completed in 2010/11;
- Planning for the launch of Staff Room, a virtual communication environment for all M25 Consortium staff, commenced in 2009/10 and will be completed in 2010/11;
- Publication of the Consortium's Annual report for 2008/09 in November 2009.

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Reserves

Income

M25 Consortium income is largely derived from membership subscriptions and is thus fairly stable and predictable. At the point of preparing a budget an assumption is made that all members will continue their membership. There is some risk that some members may decide not to renew their subscriptions and a related risk that institutional mergers may lead to a reduction in subscription income.

There is a modest scope for additional income through sponsorship, for example of the annual conference.

The current economic climate increases the possibility of non-renewal of subscriptions and this matter will be given further consideration in 2010/11.

Business continuity

Reserves are required to ensure that the Consortium's activities can continue in the event of a reduction in income and to provide 'pump-priming' for potential new services.

Business activities that need to be continued are:

- Digital discovery activities (InforM25);
- Staff development activities (cpd25);
- Directors Room & Staff Room (online forums);
- Web pages;
- Access scheme;
- Marketing;
- General administration.

At any given time there may also be one-off projects in progress.

Underpinning these is the Support Team and the Consortium needs to ensure sufficient reserves to meet salary costs and/or costs associated with redundancy.

Reserves policy

This is the first year that the Consortium has operated as a registered charity and to date it has not been possible to establish a formal reserves policy. The reserves are managed as below.

The reserves are reviewed as part of the annual budget cycle and any areas requiring 'pump-priming' are identified and the impact on the reserves discussed by the Steering Group. The Treasurer monitors the reserves throughout the year and provides regular reports at Steering Group meetings.

Following a number of years without any cost-intensive projects it was agreed in 2008 to use some of the reserves to fund a post to work on the online forum projects (Directors Room and Staff Room). The impact on reserves has been presented to and agreed by members at all subsequent AGMs (2008, 2009, 2010) as part of the annual budget for the forthcoming year.

During 2009/10 it was necessary to use some of the reserves to bridge an income gap caused by a change in bank accounts. The monies used have now been transferred back to the reserves account.

Future plans

The Trustees, together with the Steering Group will produce a formal reserves policy during 2010/11. This will be linked to the Consortium's Risk Register. The policy will be presented to members at the 2011 AGM.

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Public benefit

The benefits of the Consortium are the development and improvement of access to library and information services within the areas covered by London, the East of England and the South East. This is achieved by facilitating co-operation amongst Consortium members and by collaborating with relevant regional and national organisations to share knowledge and develop services for the benefit of learners and researchers.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit.

These accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report was approved by the Board of Trustees on 16th December and signed on its behalf by:
2010

.....
Trustee
Caroline Lloyd

Independent examiner's report to the Trustees of M25 Consortium of Academic Libraries

I report on the accounts of the company for the year ended 31st July 2010, which are set out on pages 8 - 11.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

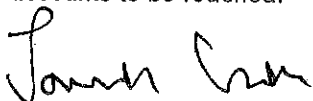
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



James Cross
For and on behalf of Kingston Smith LLP
Chartered Accountants

Devonshire House
60 Goswell Road
London
EC1M 7AD

Date: 20 December 2010

M25 Consortium of Academic Libraries
Statement of Financial Activities (incorporating the income and
expenditure account)
For the year ended 31st July 2010

		Unrestricted Funds	
	Note	Total 2010 £	Total 2009 £
Incoming Resources			
<i>Income from charitable activities:</i>			
Subscriptions	2	145,459	142,874
Event attendance income	2	55,553	33,830
Voluntary income	2	11,049	-
Other income	2	7,575	-
<i>Investment income</i>			
Interest received	2	49	1,550
Total Incoming Resources		<u>219,685</u>	<u>178,254</u>
Resources Expended			
Charitable activities	3	226,807	176,695
<i>Governance costs</i>	4	6,169	3,393
Total Resources Expended		<u>232,976</u>	<u>180,088</u>
Net Outgoing Resources for the year		(13,291)	(1,834)
Fund balance brought forward at 1st August 2009		<u>143,853</u>	<u>145,687</u>
Fund balance carried forward at 31st July 2010		<u><u>130,562</u></u>	<u><u>143,853</u></u>

M25 Consortium of Academic Libraries Balance Sheet as at 31st July 2010

	Note	2010 £	2010 £	2009 £	2009 £
Current Assets					
Debtors	5	14,204		770	
Cash at bank and in hand		<u>121,451</u>		<u>146,476</u>	
		135,655		147,246	
Creditors: Amounts falling due within one year					
	6	<u>(5,093)</u>		<u>(3,393)</u>	
Net Current Assets			<u>130,562</u>		<u>143,853</u>
Net Assets			<u><u>130,562</u></u>		<u><u>143,853</u></u>
 Funds					
Unrestricted funds			<u>130,562</u>		<u>143,853</u>
			<u><u>130,562</u></u>		<u><u>143,853</u></u>

The Trustees state:

- (a) For the year ended 31st July 2010 the charitable company was entitled to exemption under section 477 of the Companies Act 2006
- (b) No notice from Trustees requiring an audit has been deposited under Section 476 of the Companies Act 2006
- (c) The directors acknowledge their responsibilities for:-
- (i) ensuring that the charitable company keeps accounting records which comply with Section 386 of the Companies Act 2006, and
 - (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year, and of its income and expenditure for the financial year, in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the charitable company.

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Trustees on 16th December 2010
and signed on their behalf by:

Carolyn Lloyd
Trustee
Carolyn Lloyd

John Tuck
Trustee
John Tuck

COMPANIES HOUSE NO. : 06866895

M25 Consortium of Academic Libraries

Notes to the Financial Statements

For the year ended 31st July 2010

1. Accounting Policies

Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis and under the historical cost convention. The financial statements have been prepared in accordance with the Companies Act 2006, the statement of Recommended Practice (SORP) Accounting and reporting by Charities (SORP 2005), published in March 2005, and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Incoming resources

Income from charitable activities is included in the Statement of Financial Activities (SOFA) in the period in which the charity is entitled to receipt.

Resources expended

Resources expended are included in the SOFA on an accruals basis.

Charitable activities expenditure comprises of costs of activities in furtherance of the object of the consortium. Governance costs are the costs associated with ensuring the association meets its fiduciary duties.

2. Incoming Resources

	M25 £	cpd25 £	Total 2010 £	Total 2009 £
Subscription Income	145,459	-	145,459	142,874
Event Attendance	-	55,553	55,553	33,830
Other Income	7,575	-	7,575	-
Voluntary income	11,049	-	11,049	-
Interest	49	-	49	1,550
	<u>164,132</u>	<u>55,553</u>	<u>219,685</u>	<u>178,254</u>

Voluntary income all relates to a gift in kind received from the London School of Economics for the use of space within LSE by the Consortium. The figure is based on an estimate provided by LSE Estates in November 2010.

M25 Consortium of Academic Libraries
Notes to the Financial Statements
For the year ended 31st July 2010 (Continued)

3. Charitable Activities	M25	cpd25	Total	Total
	£	£	2010	2009
			£	£
Access Scheme	-	-	-	158
Administration	7,906	-	7,906	11,801
Collaboration and partnership	-	-	-	12
Marketing and communication	2,729	-	2,729	9,157
Digital Discovery	40	-	40	-
Directors' services	1,405	-	1,405	515
Rent expense (see note 2)	11,049	-	11,049	-
Salaries	155,433	-	155,433	119,009
Website	-	-	-	493
Other initiatives	-	-	-	5,701
Event related costs	-	48,245	48,245	29,849
	<u>178,562</u>	<u>48,245</u>	<u>226,807</u>	<u>176,695</u>

All staff are employed by LSE and are recharged to the Consortium.

No trustees received any remuneration in the year (2009: none) and three trustees were reimbursed £854 in respect of travel and out of pocket expenses in the year (2009: none).

4. Governance Costs	2010	2009
	£	£
Independent examiners' fee - current year	3,643	3,393
Independent examiners' fee - prior year	547	-
Other accounting services	1,979	-
	<u>6,169</u>	<u>3,393</u>

5. Debtors	2010	2009
	£	£
cpd25 event debtors	6,291	770
M25 conference debtors	1,530	-
M25 subscription debtors	6,383	-
	<u>14,204</u>	<u>770</u>

6. Creditors: Amounts falling due within one year	2010	2009
	£	£
Accruals	5,093	3,393
	<u>5,093</u>	<u>3,393</u>

M25 Consortium of Academic Libraries

List of Member Institutions

Anglia Ruskin University
University of the Arts, London
University of Bedfordshire
Birkbeck, University of London
University of Brighton
The British Library
The British Museum
Brunel University
Buckinghamshire New University
Canterbury Christ Church University
Central School of Speech and Drama, University of London
City University (London)
Courtauld Institute of Art
University of East London
Goldsmiths, University of London
University of Greenwich
University of Hertfordshire
Heythrop College, University of London
Horniman Museum
Imperial College London
Imperial War Museum
Institute of Development Studies
Institute of Education
University of Kent
King's College London
Kingston University
London Business School
London Metropolitan University
University of London Research Library Services
London School of Economics and Political Science
London School of Hygiene & Tropical Medicine
London South Bank University
Middlesex University
The Natural History Museum
The Open University in London
Oxford Brookes University
Queen Mary, University of London
Ravensbourne College of Design & Communication
University of Reading
Roehampton University
Royal Botanic Gardens, Kew
Royal College of Art
Royal Holloway, University of London
Royal Society of Chemistry
Royal Veterinary College
School of Oriental & African Studies
The School of Pharmacy
The Science Museum
St George's, University of London
St Mary's University College, Twickenham
University of Surrey
University of Sussex
Thames Valley University
UCL (UCL Library Services)
University for the Creative Arts
Victoria & Albert Museum
Wellcome Library
University of Westminster
The Wiener Library Institute of Contemporary History